

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF TEXACO EXPLORATION & PRODUCTION, INC.
FOR AN UNORTHODOX WELL LOCATION,
LEA COUNTY, NEW MEXICO.

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APPLICATION Conservation Division

TEXACO EXPLORATION & PRODUCTION, INC. ("Texaco") through its attorneys, Campbell, Carr, Berge & Sheridan, P. A., hereby makes application for an order approving an unorthodox well location, and in support thereof states:

1. Applicant is the operator of a 355.96-acre spacing unit in the Jalmat Gas Pool comprised of the following described lands:

Township 23 South, Range 37 East, N.M.P.M.

Section 31: SW/4, N/2 SE/4, SE/4 SE/4

Section 32: S/2 SW/4

Which is dedicated to its E. E. Blinebry "A" Com NCT-1 No. 4 Well located 1870 feet from the South line and 990 feet from the West line of said Section 31.

2. Applicant seeks an exception to the Special Pool Rules and Regulations for the Jalmat Gas Pool promulgated by Division Order No. R-8170 approving this unorthodox well location.

3. A previously approved 360-acre spacing and proration unit comprised of the

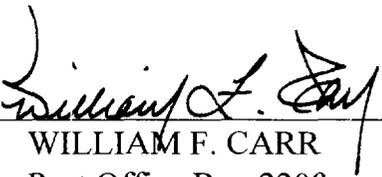
above described acreage in Sections 31 and 32 should be dedicated to the well.

4. Approval of this application will afford Texaco the opportunity to produce its just and equitable share of the oil and gas from the Jalmat Pool and will otherwise be in the best interest of the conservation, the protection of correlative rights and the prevention of waste.

WHEREFORE, Applicant requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on July 25, 1996, and after notice and hearing as required by law, the Division enter its Order granting this application.

Respectfully submitted,

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.

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